



UNITED STATES DEPARTMENT OF AGRICULTURE

Rural Development

Office of Community Development

USDA Rural Development's Office of Community Development administers the Empowerment Zones and Enterprise Communities (EZ/EC) program, a Presidential initiative designed to provide economically depressed rural areas and communities with real opportunities for growth and revitalization. Its mission: to create self-sustaining, long-term economic development in areas of pervasive poverty, unemployment, and general distress, and to demonstrate how distressed communities can achieve self-sufficiency through innovative and comprehensive strategic plans developed and implemented by alliances among private, public, and nonprofit entities.

Empowerment Zones and Enterprise Communities

Program Mission

The mission of the EZ/EC program is embodied in four key principles:

- Economic Opportunity — including job creation within the community and throughout the region, entrepreneurial initiatives, small business expansion, and training for jobs that offer upward mobility;
- Sustainable Community Development — to advance the creation of liveable and vibrant communities through comprehensive approaches that coordinate economic,

physical, environmental, community, and human development;

- Community-Based Partnerships — involving participation of all segments of the community, including the political and governmental leadership, community groups, health and social service groups, environmental groups, religious organizations, the private and nonprofit sectors, centers of learning, other community institutions, concerned citizens and low-income residents; and
- Strategic Vision for Change — which identifies what the community will become and develops a strategic map for revitalization.

This program is only the first step in rebuilding poverty-stricken communities in America's rural heartland. It is designed to empower people and communities all across the Nation by inspiring Americans to work together to create jobs and opportunity. The program was created by Title XIII of the Omnibus Budget Reconciliation Act of 1993 (P.L. 103-66), under which the Secretary of Agriculture has designated 3 rural Empowerment Zones and 30 Enterprise Communities.

Program Operations: They All Start Locally

Communities, with the cooperation of their State and local governments, have developed strategic plans for combining public and private resources. These strategic plans guide the communities during implementation of their portion of the EZ/EC program. State Offices of USDA Rural Development have day-to-day oversight responsibility for the program and help communities coordinate various resource needs by serving as facilitators for strategic plan implementation. State staffs are backed up by a small cadre of specialists in USDA Rural Development's Office of Community Development in Washington, D.C. The National Office staff provides overall program policy, national program partnerships, program facilitation, and serves as liaison to the President's Community Empowerment Board.

Program Features

Communities designated as Empowerment Zones or Enterprise Communities are benefitting from:

- Technical assistance provided in strategic plan development, partnership building, and leadership development;
- Two Health and Human Services Social Security block grants totaling \$40 million for each Empowerment Zone and one grant for up to \$3 million for each Enterprise Community;
- Employer tax credits to eligible Empowerment Zone employers equal to 20 percent of the first \$15,000 of wages or training expenses for qualified Empowerment Zone employees;

- Tax-free facility bonds of up to \$3 million for some Empowerment Zones and Enterprise Communities;
- Additional \$20,000 tax deduction for qualified businesses on investments in Empowerment Zones;
- Priority consideration for many other Federal programs.

Selected Communities

Communities received EZ/EC designation based on excellence in:

- Innovative, comprehensive, and effective strategic plans;
- Strength of involvement of low-income residents and local organizations;
- Ability to address comprehensively the elements relating to economic opportunity, sustainable community development, community-based partnerships, and their strategic vision for change;
- Degree of need and diversity within and among the nominated areas; and
- Strategic plan effectiveness in building economic self-sufficiency for communities and residents.

From 227 rural applicants, 33 communities were designated, encompassing a rural population of more than 625,000 and a total area of more than 15,000 square miles in 24 States. These communities average more than 18,000 residents scattered over a 450-square-mile area. On average, the poverty rate for these communities exceeds 36 percent and the unemployment rate exceeds 14 percent.

To maintain ties with communities which crafted a strategic plan, 182 of the 227 applicants received Champion Community status. Champion Communities are communities that were designated neither as an EZ nor as an EC. Champion Communities receive assistance as a response to specific requests for funding and technical assistance.

All the Empowerment Zones and Enterprise Communities have this in common: the desire and drive to look toward the future and work together to build a plan that would take them toward a new beginning. These communities have dared to dream a vision of a better tomorrow for rural America. A place where young people wish to remain after they complete high school; a place where farmers can make a good living from their land; and a place where businesses flourish with access to capital and innovative uses of technology. Many of America's everyday challenges are magnified in rural America by poverty, distance, and neglect. The goal of EZ/EC is for all Americans to share in the resources that this nation has to offer.

For more information please call:

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